

IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN
DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION

CASE NO. 3:06-CV-00507

| | | |
|--------------------------------|---|-------------------------|
| VALUEPEST.COM OF AMERICA, INC. |) | |
| |) | |
| Plaintiff, |) | |
| |) | CONSENT JUDGMENT |
| v. |) | |
| |) | |
| LAWRENCE DAVIDSON and RONALD |) | |
| DAVIDSON, |) | |
| Defendants. |) | |
| _____ |) | |

THIS CAUSE coming on before the undersigned United States District Court Judge by and with the consent of the parties, and with their consent, the Court makes the following findings of fact:

1. That the Court has jurisdiction over the subject matter of this action under 28 U.S.C. §1331, 15 U.S.C. §1121, and 28 U.S.C. §1338(a).

2. That venue and division of this action is proper in the Western District of North Carolina, Charlotte Division, under 28 U.S.C. §1391(b)(2) as a substantial part of the events giving rise to the claims occurred in this judicial district and division.

3. The Court has in personam jurisdiction over the Defendants who have consented to the jurisdiction of the

Court in the Franchise Agreement which was signed by both Defendants in Monroe, North Carolina.

4. The Defendants entered into three separate Franchise Agreements for three separate territories in South Carolina on or about June 6, 2005.

5. That the Defendants operated under the Franchise Agreements utilizing Plaintiff's federally registered mark, ValuePest, until on or about December 1, 2006, when Plaintiff terminated Defendants' Franchise Agreements for failure to cure defaults under the Franchise Agreements.

6. That Plaintiffs filed suit against Defendants on December 14, 2006, seeking a Preliminary Injunction against Defendants for various violations of the post-termination provisions of the Franchise Agreement, violations of the non-compete and non-solicitation provisions of the Franchise Agreement, for money damages for breach of contract, for money damages for unfair trade practices, and for attorney's fees.

7. That a hearing on Plaintiff's Motion for a Preliminary Injunction was scheduled for Thursday, January 11, 2007.

8. That on Tuesday, January 9, 2007, the parties notified the Court that they had reached a resolution of the issues and request the Court to set forth a portion of their

agreement on the record as a Consent Order resolving the case.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that:

(a) The Defendants, Lawrence Davidson and Ronald Davidson, shall immediately discontinue and refrain from any use of the ValuePest mark.

(b) The Defendants, Lawrence Davidson and Ronald Davidson, shall deliver a complete customer list of all customers serviced by Defendants between June 6, 2005 and December 1, 2006.

(c) The Defendants, Lawrence Davidson and Ronald Davidson, shall deliver all customer files, including all service tickets, to ValuePest.com of America, Inc., within ten days.

(d) The Defendants, Lawrence Davidson and Ronald Davidson, shall not offer an "any size house" termite and/or pest control option for less than \$450.00, or any similar program of ValuePest, within the former franchise territories in South Carolina for a period of one year from December 1, 2006.

(e) The Defendants will transfer immediately the following telephone numbers to the Plaintiff: (1) 843-347-5413 (2) 843-347-6137 (3) 843-546-5231

-5413 (4) 843-884-4556 (5) 843-385-6846 (6) 843-278-6051 (7) 843-628-5317 (8) 843-278-6051. Where transfer cannot be obtained, the numbers will be cancelled. The Defendants will immediately provide the Plaintiff with a limited power of attorney authorizing Plaintiff to switch the above listed numbers to Plaintiff's national toll free number. Defendants will be responsible for all charges to these numbers prior to transfer and Plaintiff shall be responsible for all charges to the numbers following transfer.

(f) The Plaintiff, ValuePest.com of America, Inc. will provide all ValuePest customers in the former franchise territories with a new service contract with a new South Carolina license holder listed on the contract within ninety (90) days of this judgment.

(g) The Defendants shall not solicit the business of or service any ValuePest customer who was a customer prior to December 1, 2006, within the former franchise territories for a period of two years from December 1, 2006, unless otherwise authorized by ValuePest in writing.

(h) In the event any current customer of ValuePest contacts Defendants, Defendants shall immediately provide the customer with the ValuePest toll free number 866-366-8683.

(i) Each party shall bear its own costs and attorneys fees.

Signed: January 29, 2007



Graham C. Mullen
United States District Judge



We Consent:

s/Nathan M. Hull

NC Bar #26909

Nathan Hull

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